



COUNTY OF SAN DIEGO, CALIFORNIA

Schedule of Expenditures of Federal and Non-federal
Awards for the Year Ended June 30, 2000
and Reports in Compliance with Office of Management
and Budget Circular A-133

June 30, 2000

COUNTY OF SAN DIEGO, CALIFORNIA

Schedule of Expenditures of Federal and Non-federal
Awards for the Year Ended June 30, 2000
and Reports in Compliance with Office of Management
and Budget Circular A-133

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750 B Street
San Diego, CA 92101

Independent Auditors' Report on Schedule of Expenditures of Federal and Non-federal Awards

The Board of Supervisors
County of San Diego, California:

We have audited the financial statements of the County of San Diego, California (the County) as of and for the year ended June 30, 2000, and have issued our report thereon, dated November 17, 2000. These financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 17, 2000 on our consideration of the Board's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was made for the purpose of forming an opinion on the financial statements of the County of San Diego, California, taken as a whole. The accompanying Schedule of Expenditures of Federal and Non-federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. The Schedule of Expenditures of Federal Awards by CFDA Number and the Schedule of Expenditures of the Office of Criminal Justice and Planning Awards are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the financial statements taken as a whole.

KPMG LLP

November 17, 2000



COUNTY OF SAN DIEGO, CALIFORNIA
 Schedule of Expenditures of Federal and Non-federal Awards
 Year ended June 30, 2000

Grantor/Pass-through grantor or cluster title	Federal CFDA number	Entity identifying number	Terms of assistance	Expenditures		
				Federal	Non-federal	Total
Clusters:						
Research and Development Cluster:						
Department of Health and Human Services:						
Hansen's Disease Program '99	93.846	CSHHD0006-04	01/01/99-12/31/99	\$ 63,434	—	63,434
Hansen's Disease Program '00	93.846	CSHHD0006-04	01/01/00-12/31/00	38,553	—	38,553
Total Research and Development Cluster				<u>101,987</u>	<u>—</u>	<u>101,987</u>
Child Nutrition Cluster:						
Department of Agriculture:						
Passed through State of California, California Department of Education:						
School Breakfast Program (Program C)	10.533	37-34371-9003328-01	07/01/99-06/30/00	393,784	40,439	434,223
National School Lunch Program (Program A)	10.555	37-34371-9003328-01	07/01/99-06/30/00	606,076	40,456	646,532
Total Child Nutrition Cluster				<u>999,860</u>	<u>80,895</u>	<u>1,080,755</u>
Food Stamp Cluster:						
Department of Agriculture:						
Passed through State of California, Department of Social Services:						
California Nutrition Network for Healthy Families	10.561	99-85951	10/01/99-09/30/00	10,149	43,861	54,010
F.S. Employment and Training Program	10.561	53-3198-2-64	07/01/99-06/30/00	497,399	77,083	574,482
Non Assistance Food Stamps Administration	10.561	Subvention	07/01/99-06/30/00	7,546,113	13,339,125	20,885,238
Total Food Stamp Cluster				<u>8,053,661</u>	<u>13,460,069</u>	<u>21,513,730</u>
Section 8 Tenant-Based Cluster:						
Department of Housing and Urban Development:						
Section 8 Voucher Program – Project 0026-0065	14.855	SF-518-CA108V0-0026-0065	07/17/85-10/31/00	24,496,934	—	24,496,934
Section 8 (Existing) Project – 0015-0074	14.857	SF-518-CA08CE-0015-0074	04/28/77-11/30/03	17,078,922	—	17,078,922
Total Section 8 Tenant-Based Cluster				<u>41,575,856</u>	<u>—</u>	<u>41,575,856</u>
Section 8 Project-Based Cluster:						
Department of Housing and Urban Development:						
Section 8 Mod. Rehab. Program - (Project #3)	14.856	SF-518-CA108MR0003	03/01/90-01/12/02	120,839	—	120,839
Section 8 Mod. Rehab. Program - (Project #4)	14.856	SF-518-CA108MR0004	03/01/90-02/14/04	913,058	—	913,058
Total Section 8 Project-Based Cluster				<u>1,033,897</u>	<u>—</u>	<u>1,033,897</u>
Aging Cluster:						
Department of Health and Human Services:						
Passed through State of California, Department of Aging						
Title III-B Social Services	93.044	FF-9900-23	07/01/99-06/30/00	2,119,019	449,208	2,568,227
Title III-C Nutrition Program	93.045	FF-9900-23	07/01/99-06/30/00	3,217,000	712,791	3,929,791
Total Aging Cluster				<u>5,336,019</u>	<u>1,161,999</u>	<u>6,498,018</u>
HIV Cluster:						
Department of Health and Human Services:						
Title I Formula Grant '91/01	93.915	BRH89001-09-0	02/01/91-02/29/00	7,781,418	—	7,781,418
Total of Program Clusters				<u>64,882,698</u>	<u>14,702,963</u>	<u>79,585,661</u>

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 Year ended June 30, 2000

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				Federal	Non-federal	Total
Other Programs:						
Department of Agriculture						
Passed through State of California, Department of Aging – Food Distribution (C-1 & C-2)	10.570	FF-9899-23	07/01/99-06/30/00	\$ 747,003	—	747,003
Direct:						
Volcan Mountain Restoration	10.914	11680-J	09/01/98-09/30/08	9,602	—	9,602
TJ River Project	10.914	72-9104-8-73	09/01/98-09/30/08	—	12,943	12,943
Department of Agriculture totals				<u>756,605</u>	<u>12,943</u>	<u>769,548</u>
Department of Housing and Urban Development						
Direct:						
Lead Base Paint Hazard Control Prog.	14.000	CALHB0129-99	01/01/00-12/31/02	7,727	—	7,727
Community Development Block Grant (CDBG-COF)	14.218	B75 through B98-UC-06-0501	07/01/75-completion	1,258,627	—	1,258,627
Community Development Block Grant (CDBG-GF)	14.218	B75 through B98-UC-06-0501	07/01/75-completion	854,695	—	854,695
Community Development Block Grant (CDBG-HCD/SRF)	14.218	B75 through B98-UC-06-0501	07/01/75-completion	4,343,790	—	4,343,790
Community Development Block Grant (CDBG-RDF)	14.218	B75 through B98-UC-06-0501	07/01/75-completion	570,369	—	570,369
Community Development Block Grant (CDBG-F)	14.218	B75 through B98-UC-06-0501	07/01/75-completion	12,442	—	12,442
Community Development Block Grant (CDBG-RA)	14.218	B75 through B98-UC-06-0501	07/01/75-completion	25,446	—	25,446
Community Development Block Grant (CDBG-MM)	14.218	B75 through B98-UC-06-0501	07/01/75-completion	18,121	—	18,121
Emergency Shelter Grant	14.231	S-98-UC-06-0501	07/14/98-completion	68,414	—	68,414
Emergency Shelter Grant	14.231	S-99-UC-06-0538	09/01/99-11/30/00	126,210	—	126,210
Supportive Housing Program	14.235	CA3737501-Variou	03/99-06/02	1,768,429	—	1,768,429
Supportive Housing Program	14.235	CA16B97-1011 - Various	07/98-07/01	268,631	—	268,631
Supportive Housing Program	14.235	CA16A15-1100 - Various	07/99-06/00	76,613	—	76,613
Supportive Housing Program (Disabilities) 1996	14.235	CA16B960402	11/97-11/00	560,852	—	560,852
Supportive Housing Program (Focus on Families) 1996	14.235	CA16B960401	12/97-12/00	334,948	—	334,948
Shelter Plus Care Grant	14.238	CA16C93-1209	08/18/94-08/17/99	216,057	—	216,057
Home Investment Partnership Act	14.239	M92-M98-DC-060534	07/01/92-completion	3,234,933	—	3,234,933
Housing Opport. for Persons with AIDS (City)	14.241	CA16H96F077	6/28/98-completion	2,968,966	—	2,968,966
Housing Opport. for Persons with AIDS (County)	14.241	CA16H97-0049	12/06/98-completion	70,973	—	70,973
Housing Opport. for Persons with AIDS	14.241	CA16H99-F008	05/04/99-completion	216,800	61,468	278,268
Comprehensive Improvement Act (CIAP)	14.852	CA16P-108-902-98	09/27/98-12/23/00	41,067	—	41,067
Comprehensive Improvement Act (CIAP)	14.852	CA16P-108-903-99	08/25/99-09/30/02	3,343	—	3,343
Comprehensive Improvement Act (CIAP)	14.852	CA16P-108-901-97	12/23/97-12/23/00	66,757	—	66,757
Department of Housing and Urban Development totals				<u>17,114,210</u>	<u>61,468</u>	<u>17,175,678</u>
Department of Justice						
Passed through State of California, Office of Criminal Justice Planning:						
Juvenile Incentive Block Grant	16.523	IP98010370	04/01/99-06/30/00	1,171,000	130,111	1,301,111
Title V Delinquency Prevention	16.541	JC97010370	04/01/99- 03/31/00	254,614	27,321	281,935
Elder Abuse Avocacy Outreach Program	16.575	EA98010370	06/01/99-05/31/00	49,477	12,369	61,846
Victim Witness Assistance Project	16.575	VW97180370	07/01/99-06/30/00	837,374	209,344	1,046,718
Drug Endangered Children	16.579	DG97010370	11/01/97-10/31/00	259,322	—	259,322
San Diego County Regional Drug Enforcement (JUDGE)	16.579	DC99120370	07/01/99-06/30/00	1,625,400	—	1,625,400
Passed through State of California, Board of Corrections:						
Violent Offender Incarceration Grant	16.586	N/A	05/22/98-03/31/00	817,692	538,016	1,355,708
Domestic Violence Stalking	16.588	VV97010370	03/01/98-02/28/01	189,527	63,967	253,494
Domestic Violence Stalking	16.588	VV99020370	03/01/00-02/28/01	49,267	16,422	65,689

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Grantor/Pass-Through Grantor or Cluster Title	Federal CFDA number	Entity identifying number	Terms of assistance	Expenditures		
				Federal	Non-Federal	Total
<u>Department of Justice, Continued</u>						
Passed through State of California, Drug Enforcement Agency: Marijuana Eradication Prog.	16.579	99-23	10/01/99-12/31/99	\$ 69,975	—	69,975
Passed through City of San Diego:						
HIDTA Grant (Sheriff)	16.000	I7PSCP575	01/01/00-12/31/00	487,283	—	487,283
HIDTA Grant (D.A./SDPD)	16.000	I8PSCP575	01/01/99-12/31/99	290,900	—	290,900
HIDTA Grant (D.A./SDPD)	16.000	I8PSCP575	01/01/00-12/31/00	279,584	—	279,584
Direct:						
Comprehensive Strategy Planning (Title 2 of Juv. Act 1974)	16.541	98-JS-FX-0010	02/01/99-09/30/99	13,125	—	13,125
Drug Court	16.585	DCVX0056	12/01/98-11/30/00	57,180	—	57,180
Violence Against Women Act	16.590	97-WE-VX-0013	01/03/97-06/30/00	997,155	—	997,155
Community Sex Offender Management Grant	16.591	N/A	10/01/99-03/31/01	17,429	—	17,429
Local Law Enforcement Block Grant	16.592	98-LB-VX-4275	10/01/98-09/31/00	244,069	36,082	280,151
Local Law Enforcement Block Grant	16.592	97-LB-VX-4275	10/01/97-09/31/99	204,628	22,738	227,366
Local Law Enforcement Block Grant	16.592	99-LB-VX-1054	03/08/00-03/07/02	353,890	36,531	390,421
Cops Ahead & Cops Universal	16.710	95-CC-WX-0476	04/01/95-12/31/02	12,250	—	12,250
Cops - School-Based Partnership Grant	16.710	98SBWX0024	04/01/95-12/31/02	69,010	—	69,010
District Attorney Asset Forfeiture	16.000	N/A	07/01/99-06/30/00	326,975	—	326,975
Federal Equitable Sharing Program	16.000	CA037013G	07/01/99-06/30/00	15,567	—	15,567
Department of Justice totals				<u>8,692,693</u>	<u>1,092,901</u>	<u>9,785,594</u>
<u>Department of Labor</u>						
Passed through State of California, Department of Aging – Title V Community Services Employment Project	17.235	FF-9899-23	07/01/99-06/30/00	459,159	—	459,159
<u>Department of Transportation</u>						
Direct:						
Borrego Valley Airport – (Land Acquisition)	20.106	AIP 3-06-0027-05	09/01/94-completion	—	11,606	11,606
Borrego Valley Airport – (Slurry)	20.106	AIP 3-06-0027-07	09/01/98-completion	42,593	4,733	47,326
Borrego Valley Airport – (Water Line)	20.106	AIP 3-06-0027-06	09/01/96-completion	443,001	34,199	477,200
Fallbrook Community Airport	20.106	AIP 3-06-0078-015	07/01/99-completion	7,125	792	7,917
McClellan-Palomar Airport – Runway	20.106	AIP 3-06-036-11	03/29/99-completion	15,046	1,672	16,718
McClellan-Palomar Airport – Runway 24.	20.106	AIP 3-06-036-10	09/01/97-completion	—	—	—
McClellan-Palomar Airport – Runway Ext.	20.106	AIP 3-06-036-10	09/01/97-completion	—	43,484	43,484
McClellan-Palomar Airport – Sweeper	20.106	AIP 3-06-0036-08	09/01/94-completion	—	637	637
Ramona Airport Runway-Taxiway Ext.	20.106	AIP 3-06-0192-05 & 06	07/01/99-completion	384,328	139,899	524,227
Passed through State of California, Department of Transportation:						
Blk. Canyon Rd. 2C4002	20.205	BRL 5957(019)	10/14/99-completion	41,141	47,303	88,444
Bonita Rd. Bridges	20.205	BRL-5957(017)	08/23/94-completion	390,346	127,596	517,942
Bridge Barrier Rail 4C1011	20.205	STPLX-5957(047)	03/21/00-completion	5,909	6,074	11,983
Gird Rd. Bridges 2C8005	20.205	BRL-5957(034)	04/10/97-completion	39,213	30,385	69,598
Riverside Bridge Over Sweetwater	20.205	BRLRT5957(040)	03/16/00-completion	6,100	7,577	13,677
Valley Center Rd. Bridges 2C5001	20.205	BRL-5957(020)	12/13/94-completion	55,928	39,301	95,229
Viejas Bridge Over Sweetwater	20.205	BRLS5957(039)	04/20/00-completion	25,715	28,333	54,048
W. Lilac Rd. Bridges 2C4028	20.205	BRL-5957(018)	12/13/94-completion	1,233,395	456,749	1,690,144
Wildwood Glenn Lane 1C2012	20.205	STPLZ-5957(016)	10/28/94-completion	100,103	13,091	113,194
Willow (Viejas) 1C4026	20.205	STPLZ-5957(022)	05/13/96-completion	289	50	339
Department of Transportation totals				<u>2,790,232</u>	<u>993,481</u>	<u>3,783,713</u>

COUNTY OF SAN DIEGO, CALIFORNIA
 Schedule of Expenditures of Federal and Non-federal Awards
 Year ended June 30, 2000

Grantor/Pass-through grantor or cluster title	Federal CFDA number	Entity identifying number	Terms of assistance	Expenditures		
				Federal	Non-federal	Total
<u>Environmental Protection Agency</u>						
Direct:						
Air Pollution Control Prog – EPA	66.001	A-009059-99-0	10/01/98-09/30/99	\$ 1,098,900	2,779,405	3,878,305
CAA Sect. 103 – Air Quality Alliance Project	66.606	X-999994-01-0	10/01/99-10/15/00	39,000	—	39,000
Air 10.3-PM 2.5 Monitoring Network	66.606	X-999921-01-0/X-999921-01-1	04/01/98-04/01/00	267,806	—	267,806
Passed through State of California, Habitat Conservation Fund – Otay Valley Regional Park	66.460	C9999627-97-0	05/97-06/00	990	1,172	2,162
Environmental Protection Agency totals				<u>1,406,696</u>	<u>2,780,577</u>	<u>4,187,273</u>
<u>Department of Education</u>						
Passed through State of California, Departments of Alcohol & Drug: State and Federal Block Grant-Alcohol & Drug Svcs`	84.186	N/A	07/01/98-06/30/99	342,334	27,423,408	27,765,742
Statewide Access News-For the Blind-Yr.2	45.310	LSTA N-1#40-4982	02/26/00-09/30/00	—	3,915	3,915
Total Department of Education				<u>342,334</u>	<u>27,427,323</u>	<u>27,769,657</u>
<u>Department of Health and Human Services</u>						
Passed through State of California, Department of Aging:						
Title VII-B Elder Abuse Prevention	93.041	FF-9900-23	07/01/99-06/30/00	51,415	7,803	59,218
Title VII-A Ombudsman	93.042	FF-9900-23	07/01/99-06/30/00	46,755	1,534	48,289
Title III-F Preventive Health	93.043	FF-9900-23	07/01/99-06/30/00	177,568	27,830	205,398
Title III-D In-Home Services Program	93.046	FF-9900-23	07/01/99-06/30/00	76,891	3,822	80,713
Multi-purpose Senior Service Program	93.779	MS-9899-07	07/01/99-06/30/00	1,403,769	—	1,403,769
Health Insurance Counseling Advocacy Prog. (HICAP)	93.779	SF-9899-23	07/01/99-06/30/00	51,583	237,628	289,211
Direct:						
AIDS Case Management	93.917	99-85346	07/01/99-09/30/00	—	94,470	94,470
Block Grant – Dual Diagnosis (SAMHSA)	93.958	N/A	07/01/99-09/30/00	922,044	—	922,044
SAMSHA-Dual Diagnosis Demonstration Proj.	93.958/959	N/A	07/01/99-09/30/00	206,854	—	206,854
S.D. County's System Care for Youth (HEARTBEAT)	93.104	H55-SM52135-01	09/01/97-08/31/00	1,670,062	—	1,670,062
Dental Health Initiative	93.110	5MCJ-068005-03-0	10/01/95-09/30/00	48,042	—	48,042
KIDS Oral Healthcare Access	93.110	1H47MC0004-01	08/01/99-05/31/03	24,004	—	24,004
San Diego Kids Healthy Assurance Network	93.110	6H17MC00008-02-2	10/01/97-09/30/02	60,678	—	60,678
San Diego Kids Healthy Assurance Network	93.110	6H17MC00008-02-1	10/01/97-09/30/01	75,135	—	75,135
Tuberculosis Control Program Cooperative '82/00	93.116	U52/CCU900452-11-3	10/01/82-12/31/99	1,498,127	—	1,498,127
Project for Assistance in Transition for the Homeless	93.150	N/A	07/01/99-06/30/00	111,291	—	111,291
Childhood Lead Poisoning and Prevention	93.197	H/64CCH911836-01	08/01/95-06/30/01	374,271	—	374,271
Lead Poisoning Case Management	93.197	97-11577-aqz	07/01/95-06/30/00	215,576	135,830	351,406
Passed through State of California, Department of Social Services:						
Child Care CalWORKs Stage1	93.558	N/A	07/01/99-06/30/00	39,899,783	1,315,738	41,215,521
TANF CAL Learn	93.558	Subvention	07/01/9906/30/00	1,071,379	421,298	1,492,677
TANF CalWORKs Administration	93.558	Subvention	07/01/9906/30/00	22,338,736	12,646,462	34,985,198
TANF Welfare-to-Work (WTW)	93.558	N/A	10/01/99-09/30/00	34,225,779	460,067	34,685,846
TANF Probation	93.558	N/A	07/01/9906/30/00	21,120,473	—	21,120,473
TANF AID PAYMENTS (FG/U)	93.558	Subvention	07/01/9906/30/00	167,772,161	20,925,364	188,697,525
TANF Emergency Assistance (ADMIN)	93.558	Subvention	07/01/9906/30/00	10,519,361	7,959,462	18,478,823
TANF Emergency Assistance-Foster Care (PLACEMENT COST)	93.558	N/A	07/01/9906/30/00	1,404,244	1,650,329	3,054,573
Title IV-D Administrative Claim	93.563	Subvention	07/01/98-06/30/99	25,190,531	14,516,617	39,707,148
Refugee Cash Assistance	93.566	N/A	09/30/98-06/30/00	117,377	—	117,377
RESS99 SET-ASIDE	63.566	G-97-AA-CA-9110	09/30/98-06/30/01	—	—	—
RESP – Refugee Employment Social Services 98/00	93.566	G-97-AA-CA-9110	09/30/98-06/30/00	1,683,858	—	1,683,858
RESP – Refugee Employment Social Services 99/01	93.566	N/A	10/01/99-06/30/01	—	—	—
Early Discretionary - 98	93.576	TARL-2006	09/30/98-09/29/99	49,037	—	49,037
Early Discretionary - 99	93.576	TARL-9908	09/30/99-09/29/01	—	—	—
TA Targeted Assistance 99	93.584	TAFO 9905	09/30/99-06/30/01	235,112	—	235,112
TA Targeted Assistance	93.584	TAFO 9905	10/01/98-09/30/00	421,414	—	421,414

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Grantor/Pass-through grantor or cluster title	Federal CFDA number	Entity identifying number	Terms of assistance	Expenditures		
				Federal	Non-federal	Total
<u>Department of Health and Human Services, Continued</u>						
CWS Title IV-B	93.645	Subvention	07/01/98-06/30/99	\$ 2,014,449	10,517,089	12,531,538
Title IV-E Foster Care (Probation-Placement Costs)	93.658	N/A	07/01/99-06/30/00	2,319,477	8,483,697	10,803,174
Title IV-E Foster Care (CWS)	93.658	Subvention	07/01/99-06/30/00	20,292,999	20,405,059	40,698,058
Title IV-E Foster Care (FPP)	93.658	Subvention	07/01/99-06/30/00	808,599	2,692,035	3,500,634
Title IV-E Foster Care (ADMIN)	93.658	N/A	07/01/99-06/30/00	1,706,222	1,682,397	3,388,619
Title IV-E Foster Care (AID PMTS)	93.658	Subvention	07/01/99-06/30/00	21,415,166	37,322,420	58,737,586
Title IV-E Foster Care (PROBATION ADMIN)	93.658	N/A	07/01/99-06/30/00	7,407,173	—	7,407,173
Adoption Assistance	93.659	Subvention	07/01/99-06/30/00	8,259,585	13,960,226	22,219,811
Adoption Assistance IV-E	93.659	Subvention	07/01/99-06/30/00	2,368,163	4,022,233	6,390,396
Independent Living Skills Program	93.674	Subvention	07/01/99-06/30/00	576,499	852,753	1,429,252
County Services Block Grant	93.000	N/A	07/01/99-06/30/00	129,334	367,227	496,561
Medi-Cal Program	93.778	N/A	07/01/99-06/30/00	22,761,230	22,761,231	45,522,461
Passed through State of California, Department of Health Services:						
Health Incentive Program 314(d) '99/00	93.991	FED 314 (d)	10/01/99-09/30/00	17,358	—	17,358
Health Incentive Program 314(d) '98/99	93.991	FED 314 (d)	10/01/98-09/30/99	5,787	—	5,787
Passed through State of California, Department of Community and Economic Development:						
Community Services Block Grant	93.569	99F-1936	01/01/99-12/31/99	1,201,561	45,460	1,247,021
Community Services Block Grant	93.569	N/A	01/01/0-12/31/00	1,325,754	—	1,325,754
Passed through State of California, Department of Education:						
Child Care and Development Block Grant	93.575	FAPP-9053	07/01/99-06/30/00	2,158,777	—	2,158,777
Child Care and Development Block Grant Exp. (CALWORKS 2 FED)	93.575	F2AP-9248	07/01/99-06/30/00	7,086,333	—	7,086,333
Child Care and Development Block Grant Exp. (CALWORKS 3 FED)	93.575	F3AP-9058	07/01/99-06/30/00	2,647,112	—	2,647,112
Local Child Care Planning Council	93.575	GLPC-7037	07/01/99-06/30/00	—	136,817	136,817
Child Care Development Fund-CalWorks Stage2(Interm)	93.575	F216-9048	07/01/19-06/30/00	1,322,481	—	1,322,481
Passed through State of California, Department of Alcohol & Drug Services:						
State and Federal Block Grant – Alcohol & Drug Svcs	93.778	N/A	07/01/99-06/30/00	539,690	—	539,690
Title XIX Federal Financial Participation of Medi-Cal Prog.	93.778	N/A	07/01/99-06/30/00	—	1,227,361	1,227,361
State and Federal Block Grant – Alcohol & Drug Svcs	93.959	N/A	07/01/99-06/30/00	16,415,813	—	16,415,813
Department of Health and Human Services totals				455,842,872	184,880,259	640,723,131
<u>Federal Emergency Management Agency</u>						
Passed through State of California, Office of Emergency Services – Emergency Management – Civil Defense	83.505	EMF-6-0045 82-15	07/01/82-completion	261,878	—	261,878
<u>Corporation for National and Community Service</u>						
Retired Senior Volunteer Program	94.002	44OP118/05	07/01/99-06/30/00	105,548	31,670	137,218
Foster Grandparents	94.011	CB-9900-23	07/01/99-06/30/00	—	31,672	31,672
Total Federal Financial Assistance				\$ 552,654,925	232,015,257	784,670,182

See accompanying note to Schedule of Expenditures of Federal and Non-federal Awards.

COUNTY OF SAN DIEGO, CALIFORNIA

Schedule of Expenditures of Federal Awards by CFDA Number

Year ended June 30, 2000

U.S. Department	Federal CFDA number	Total federal expenditures
<u>Department of Agriculture</u>		
Food Distribution	10.570	\$ 747,003
Nat'l School Breakfast Nutrition	10.553	393,784
Nat'l School Lunch Nutrition	10.555	606,076
California Nutrition Network for Healthy Families	10.561	10,149
F.S. Employment and Training Program	10.561	497,399
Non Assistance Food Stamps Administration	10.561	7,546,113
Volcan Mountain Restoration(KN9021)	10.914	9,602
Department of Agriculture Totals		<u>9,810,126</u>
<u>Department of Housing & Urban Development</u>		
Lead Base Paint Hazard control Prog.	14.000	7,727
Community Development Block Grant (CDBG- COF)	14.218	1,258,627
Community Development Block Grant (CDBG-GF)	14.218	854,695
Community Development Block Grant (CDBG-HCD/SRF)	14.218	4,343,790
Community Development Block Grant (CDBG-RDF)	14.218	570,369
Community Development Block Grant (CDBG-F)	14.218	12,442
Community Development Block Grant (CDBG-RA)	14.218	25,446
Community Development Block Grant (CDBG-MM)	14.218	18,121
Emergency Shelter Grant	14.231	126,210
Emergency Shelter Grant	14.231	68,414
Supportive Housing Program	14.235	1,768,429
Supportive Housing Program	14.235	268,631
Supportive Housing Program	14.235	76,613
Supportive Housing Program(Disabilities) 1996	14.235	560,852
Supportive Housing Program(Focus on Families)1996	14.235	334,948
Shelter Plus Care Grant	14.238	216,057
Home Investment Partnership Act.	14.239	3,234,933
Housing Opport. For Persons with AIDS(City)	14.241	2,968,966
Housing Opport. For Persons with AIDS(County)	14.241	70,973
Housing Opport. For Persons with AIDS	14.241	216,800
Comprehensive Improvement Act (CIAP)	14.852	41,067
Comprehensive Improvement Act (CIAP)	14.852	66,757
Comprehensive Improvement Act (CIAP)	14.852	3,343
Section 8 Voucher Program-Project 0026-0065	14.855	24,496,934
Section 8 Certificate Prog0015-0074	14.857	17,078,922
Section 8 Moderate Rehabilitation Prog. (Project#4)	14.856	913,058
Section 8 Moderate Rehabilitation Prog. (Project#3)	14.856	120,839
Department of Housing and Urban Development Totals		<u>59,723,963</u>
<u>Department of Justice</u>		
District Attorney Asset Forfeiture	16.000	326,975
HIDTA Grant (Sheriff)	16.000	487,283
HIDTA Grant(D.A./SDPD) '99	16.000	290,900
HIDTA Grant(D.A./SDPD) '00	16.000	279,584
Juvenile Incentive Block Grant	16.523	1,171,000
Comprehensive Strategy Planning(Title 2 of Juv. Act 1974)	16.541	13,125

COUNTY OF SAN DIEGO, CALIFORNIA

Schedule of Expenditures of Federal Awards by CFDA Number

Year ended June 30, 2000

<u>U.S. Department</u>	<u>Federal CFDA number</u>	<u>Total federal expenditures</u>
<u>Department of Justice, continued</u>		
Title V Delinquency Prevention	16.541	\$ 254,614
Elder Abuse Advocacy Outreach Program	16.575	49,477
Victim Witness Assistance Project	16.575	837,374
Drug Endangered Children	16.579	259,322
Marijuana Eradication Prog.	16.579	69,975
San Diego County Regional Drug Enforcement(JUDGE)	16.579	1,625,400
Drug Court	16.585	57,180
Violent Offender Incarceration Grant	16.586	817,692
Domestic Violence Stalking	16.588	49,267
Domestic Violence Stalking	16.588	189,527
Violence Against Women Act	16.590	997,155
Community Sex Offender Management Grant	16.591	17,429
Local Law Enforcement Block Grant 1997LBVZ4275	16.592	244,069
Local Law Enforcement Block Grant 1997LBVX4275	16.592	204,628
Local Law Enforcement Block Grant(LLEBG) '99	16.592	353,890
Cops Ahead & Cops Universal	16.710	12,250
COPS -School -Based Partnership Grant	16.710	69,010
Federal Equitable Sharing	21.000	15,567
Department of Justice Totals		<u>8,692,693</u>
<u>Department of Labor</u>		
Title V Community Services Employment Project	17.235	<u>459,159</u>
<u>Department of Transportation</u>		
Borrego Valley Airport - (Slurry)	20.106	42,593
Borrego Valley Airport - (Water Line)	20.106	443,001
Fallbrook Community Airport	20.106	7,125
McClellan-Palomar Airport-Runway	20.106	15,046
Ramona Airport Runway-Taxiway Ext.	20.106	384,328
Blk. Canyon Rd. 2C4002	20.205	41,141
Bonita Rd.Bridges 1C7064	20.205	390,346
Bridge Barrier Rail 4C1011	20.205	5,909
Gird Rd. Bridges 2C8005	20.205	39,213
Riverside Bridge Over Sweetwater	20.205	6,100
Valley Center Rd. Bridges 2C5001	20.205	55,928
Viejas Bridge Over Sweetwater 1C8397	20.205	25,715
W. Lilac Rd. Bridges 2C4028	20.205	1,233,395

COUNTY OF SAN DIEGO, CALIFORNIA

Schedule of Expenditures of Federal Awards by CFDA Number

Year ended June 30, 2000

<u>U.S. Department</u>	Federal CFDA number	Total federal expenditures
<u>Department of Transportation, continued</u>		
Wildwood Glenn Lane 1C2012	20.205	\$ 100,103
Willow (Viejas) 1C4026	20.205	289
Department of Transportation Totals		<u>2,790,232</u>
<u>Environmental Protection Agency</u>		
Air Pollution Control Prog-EPA	66.001	1,098,900
CAA Sect. 103-Air Quality Alliance Proj.	66.606	39,000
Air 10.3-PM 2.5 Monitoring Network	66.606	267,806
Otay Valley Regional Park(DMOVPPV)	66.460	990
Department of Environmental Protection Agency Totals		<u>1,406,696</u>
<u>Federal Emergency Management Agency</u>		
Emergency Management-Civil Defense	83.505	<u>261,878</u>
<u>Department of Education</u>		
State and Federal Block Grant-Alcohol & Drug Svcs	84.186	<u>342,334</u>
<u>Department of Health & Human Services</u>		
County Service Block Grant	93.000	129,334
Title VII-B Elder Abuse Prevention	93.041	51,415
Title VII-A Ombusman	93.042	46,755
Title III-F Preventive Health	93.043	177,568
Title III-B Social Services	93.044	2,119,019
Title III-C Nutrition Program	93.045	3,217,000
Title III-D In-Home Services Program	93.046	76,891
S.D.County's System Care for Youth(HEARTBEAT)	93.104	1,670,062
Dental Health Initiative	93.110	48,042
Kids Oral Healthcare Access	93.110	24,004
San Diego Kids Healthy Assurance Network	93.110	60,678
San Diego Kids Healthy Assurance Network	93.110	75,135
Tuberculosis Control Cooperative '82/00	93.116	1,498,127
Project for Assistance in Transition for the Homeless	93.150	111,291
Childhood Lead Poisoning and Prevention	93.197	374,271
Lead Poisoning Case Management	93.197	215,576
Child Care CalWORKS Stage1	93.558	39,899,783
TANF CAL Learn	93.558	1,071,379
TANF CALWORKS Administration	93.558	22,338,736
TANF Welfare to Work	93.558	34,225,779
TANF (PROBATION)	93.558	21,120,473
TANF AID PAYMENTS (FG/U)	93.558	167,772,161

COUNTY OF SAN DIEGO, CALIFORNIA

Schedule of Expenditures of Federal Awards by CFDA Number

Year ended June 30, 2000

<u>U.S. Department</u>	<u>Federal CFDA number</u>	<u>Total federal expenditures</u>
<u>Department of Health & Human Services, continued</u>		
TANF Emergency Assistance(ADMIN)	93.558	\$ 10,519,361
TANF Emergency Assist-Foster Care(PLACEMENT COST)	93.558	1,404,244
Title IV-D Administrative Claim	93.563	25,190,531
Refugee Cash Assistance	93.566	117,377
RESP-Refugee Employment Social Services 98/00	93.566	1,683,858
Community Services Block Grant	93.569	1,201,561
Community Services Block Grant	93.569	1,325,754
Child Care Development Fund-CalWorks Stage2(Interim)	93.575	1,322,481
Early Discretionary - 98	93.576	49,037
TA Targeted Assistance - 99	93.584	235,112
TA Targeted Assistance	93.584	421,414
Child Care & Development Block Grant	93.575	2,158,777
Child Care and Dev. Block Grant Exp.(CALWORKS 2 FED)	93.575	7,086,333
Child Care and Dev. Block Grant Exp.(CALWORKS 3 FED)	93.575	2,647,112
CWS Title IV-B	93.645	2,014,449
Title IV-E Foster Care(Probation-Placement Cost)	93.658	2,319,477
Title IV-E Foster Care(CWS)	93.658	20,292,999
Title IV-E Foster Care(FPP)	93.658	808,599
Title IV-E Foster Care(ADMIN)	93.658	1,706,222
Title IV-E Foster Care(AID PMTS)	93.658	21,415,166
Title IV-E Foster Care(PROBATION ADMIN)	93.658	7,407,173
Adoption Assistance	93.659	8,259,585
Adoption Assistance 1VE	93.659	2,368,163
Independent Living Skills Program	93.674	576,499
Medi-Cal Program	93.778	22,761,230
State and Federal Block Grant-Alcohol & Drug Svcs	93.778	539,690
Health Insurance Counseling Advocacy Prog. (HICAP)	93.779	51,583
Multi-purpose Senior Service Program	93.779	1,403,769
Hansen's Disease Program '99	93.846	63,434
Hansen's Disease Program '00	93.846	38,553
Title I Formula Grant '91/01	93.915	7,781,418
Block Grant(SAMHSA)	93.958	922,044
State and Federal Block Grant-Alcohol & Drug Svcs	93.959	16,415,813
SAMSHA-Dual Diagnosis Demonstration Proj.	93.958/959	206,854
Health Incentive Program 314(d) '99/00	93.991	17,358
Health Incentive Program 314(d) '98/99	93.991	5,787

COUNTY OF SAN DIEGO, CALIFORNIA
Schedule of Expenditures of Federal Awards by CFDA Number
Year ended June 30, 2000

U.S. Department	Federal CFDA number	Total federal expenditures
<u>Department of Health & Human Services, continued</u>		
Retired Senior Volunteer Program	94.002	\$ <u>105,548</u>
Department of Health and Human Services Totals		<u>469,167,844</u>
TOTAL FEDERAL FINANCIAL ASSISTANCE		\$ <u><u>552,654,925</u></u>

See accompanying independent auditors' report on Schedule of Expenditures of Federal and Non-Federal Awards

COUNTY OF SAN DIEGO, CALIFORNIA

Schedule of Expenditures of the Office of Criminal Justice and Planning Awards

Year ended June 30, 2000

Grant/Pass-through grantor or cluster title	Assistance number	Term of assistance	Expenditures					Total actual expenditures
			Budgeted amount	Personal services	Equipment	Operating expenses		
State Office of Criminal Justice and Planning (OCJP)								
Financial Assistance								
Career Criminal Prosecution Program	CP97080370	07/01/97-06/30/00	\$ 338,555	338,187	—	368	338,555	
Statutory Rape Vertical Prosecution	SR97030370	07/01/97-06/30/00	300,000	292,222	—	12,641	304,863	
Major Narcotics Vendors Prosecution	NV97130370	07/01/99-06/30/00	164,897	163,875	—	1,022	164,897	
Gang Violence Suppression Program (DA)	GV99020370	07/01/99-06/30/00	228,654	210,451	—	17,880	228,331 (1)	
Gang Violence Suppression Program (Sheriff)	GV98B10370	07/01/99-06/30/00	154,628	132,884	1,801	—	134,685 (2)	
Gang Violence Suppression Program (Prob)	GV99A10370	07/01/99-06/30/00	84,219	55,693	14,846	3,327	73,866 (3)	
Elder Abuse (Nursing Home) Prosecution (DA)	EB99010370	04/01/00-03/31/01	45,000	14,783	3,856	283	18,922	
Total State OCJP Financial Assistance			\$ 1,315,953	1,208,095	20,503	35,521	1,264,119	
Federal OCJP Financial Assistance								
Victim/Witness Assistance Program	VW97180370	07/01/97-06/30/00	\$ 1,188,025	900,940	6,396	139,382	1,046,718 (4)	
Marijuana Eradication Prog.	99-23	07/01/99-12/31/99	70,000	64,975	5,000	—	69,975	
Title V Delinquency Prevention (HHSA)	JC97010370	04/01/98-03/31/00	609,250	1,400	9,250	271,285	281,935 (5)	
Drug Endangered Children (DA)	DG97010370	11/01/97-09/30/00	225,000	195,568	37,308	26,446	259,322	
Jurisdiction Unified Drug Gang Enforcement	DC99120370	07/01/99-06/30/00	1,625,400	1,082,353	—	543,047	1,625,400	
Domestic Violence Stalking (DA)	VV97010370	03/01/98-02/28/01	298,692	183,732	61,134	8,628	253,494 (6)	
Domestic Violence Stalking (DA)	VV99020370	03/01/00-02/28/01	185,083	65,689	—	—	65,689 (7)	
Juvenile Incentive Block Grant (PROB)	IP98010370	04/01/99-06/30/00	1,301,111	26,715	479,094	795,302	1,301,111 (8)	
Elder Abuse Advocacy Outreach Prog. (DA)	EA98010370	06/01/99-05/31/01	175,000	18,399	38,730	4,717	61,846 (9)	
Total Federal OCJP Financial Assistance			\$ 5,677,561	2,539,771	636,912	1,788,807	4,965,490	

(1) Includes \$17,880 of County matching funds

(2) Includes \$26,937 of County matching funds

(3) Includes \$14,773 of County matching funds

(4) Includes State funding of \$209,344

(5) Includes \$27,321 of County matching funds

(6) Includes \$63,967 of County matching funds

(7) Includes \$16,422 of County matching funds

(8) Includes \$130,111 of County matching funds

(9) Includes \$12,369 of County matching funds

See accompanying note to Schedule of Expenditures of Federal and Non-federal Awards and independent auditors' report on Schedule of Expenditures of Federal and Non-federal Awards.

COUNTY OF SAN DIEGO, CALIFORNIA

Note to Schedule of Expenditures of Federal and Non-federal Awards

Year ended June 30, 2000

Summary of Significant Accounting Policies

Basis of Presentation

The accompanying Schedule of Expenditures of Federal and Non-federal Awards has been presented on the accrual basis of accounting. The information in these schedules is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in the schedule may differ from amounts presented in or used in the preparation of the general purpose financial statements.

Because the Schedules present only a selected portion of the activities of the County, they are not intended to and do not present either the financial position or results of operations of the County.



750 B Street
San Diego, CA 92101

**Report on Compliance and on Internal Control over Financial Reporting
Based on an Audit of Financial Statements Performed in Accordance
with Government Auditing Standards**

The Board of Supervisors
County of San Diego, California:

We have audited the financial statements of the County of San Diego, California (the County) as of and for the year ended June 30, 2000, and have issued our report thereon, dated November 17, 2000. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Board's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the Board of Supervisors and management of the County of San Diego, California and its federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

November 17, 2000





750 B Street
San Diego, CA 92101

Report on Compliance With Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133

The Board of Supervisors
County of San Diego, California:

Compliance

We have audited the compliance of the County of San Diego, California (the County) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that are applicable to each of its major federal programs as of and for the year ended June 30, 2000. The County's major federal programs are identified in the summary of auditors' results section of the Schedule of OMB A-133 Audit Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Board's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the County's compliance with those requirements.

In our opinion, the County complied, in all material respects, with the requirements referred to above that are applicable to its major federal programs for the year ended June 30, 2000. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying Schedule of OMB Circular A-133 Audit Findings and Questioned Costs as findings 2000-1 through 2000-4.



Internal Control over Compliance

The management of the County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Board's internal control over compliance with requirements that could have a direct and material effect on its major federal programs in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses. However, we noted other matters involving internal control over financial reporting that we have reported to management of the Board in a separate letter dated March 30, 2001.

This report is intended solely for the information and use of the Board of Supervisors and management of the County of San Diego, California and its federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

March 30, 2001

COUNTY OF SAN DIEGO, CALIFORNIA

Schedule of OMB Circular A-133 Audit Findings and Questioned Costs

Year ended June 30, 2000

(1) Summary of Auditors' Results

- (a) The type of report issued on the financial statements: **Unqualified opinion**
- (b) Reportable conditions in internal control were disclosed by the audit of the financial statements: **None reported**. Material weaknesses: **None**.
- (c) Noncompliance which is material to the financial statements: **No**.
- (d) Reportable conditions in internal control over major programs: **None reported**. Material weaknesses: **None**.
- (e) The type of report issued on compliance for major programs: **Unqualified opinion**.
- (f) Any audit findings which are required to be reported under Section .510(a) of OMB Circular A-133: **Yes**.

(g) Major programs:

Department of Housing and Urban Development:

Home Investment Partnership Act (HOME)	14.239
Housing Opportunities for Persons with AIDS (HOPWA)	14.241
Section 8 Tenant-Based Cluster	14.855 and 14.857

Department of Health and Human Services:

Temporary Assistance for Needy Families (TANF)	93.558
Foster Care	93.658
Medical Assistance Program (Medi-Cal)	93.778

- (h) Dollar threshold used to distinguish between Type A and Type B programs: **\$3,000,000**.
- (i) Auditee qualified as a low-risk auditee under Section .530 of OMB Circular A-133: **No, due to the nature of prior year findings**.

(2) Findings Relating to the Financial Statements Reported in Accordance with *Government Auditing Standards*:

None.

COUNTY OF SAN DIEGO, CALIFORNIA

Schedule of OMB Circular A-133 Audit Findings and Questioned Costs

Year ended June 30, 2000

(3) OMB A-133 Audit Findings and Questioned Costs:

Finding 2000-1

Programs affected:

Housing Opportunities for Persons with AIDS (HOPWA)	14.241
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Condition:

Annual Progress Reports (APRs) were not submitted for the Competitive Grant under this program for the period from the initial grant award (1998) through the County fiscal year ending June 30, 2000.

Criteria:

HUD-40110, *Annual Progress Report* (OMB No. 2506-0133), is due from each grantee within 90 days after the close of its program year. Separate reports are required for formula and competitive grants. Reports contain three basic parts. The auditor tests the financial data which is found in part 3, Program Expenditures and Housing Provided (24 CFR section 574.520 and 24 CFR part 91).

Recommendation:

The County was notified by HUD that the outstanding APRs had to be submitted by November 15, 2000. The County submitted the required information by this deadline. The County is working with HUD to develop a corrective action plan to ensure that all the requirements of the Competitive Grant program are being followed. We recommend that the County continue to pursue this with HUD to ensure that full compliance is achieved as expeditiously as possible.

Finding 2000-2

Programs affected:

Home Investment Partnership Act (HOME)	14.239
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Condition:

Sub-recipients of funds pursuant to the HOME program are solely responsible for determining eligibility for participants requesting aid. As part of its sub-recipient monitoring procedures, the County verifies that all of the sub-recipients' activities utilizing HOME funds are carried out in compliance with the Home Investment Partnership Act Rule (24 CFR Part 92), and federal compliance requirements. HUD program subrecipient monitoring is done on a program-by-program basis (HOME, CDBG, etc), with one or two programs being the focus of on-site monitoring efforts each year. As such, there will be significant periods elapsing between on-site monitoring visits and verification that non-profit subrecipients receiving federal awards over \$300,000 had a Single Audit conducted, and that findings, if applicable, were reviewed and corrected by the sub-recipient in a timely manner. During the year under audit, only one of nine subrecipients had an on-site review.

COUNTY OF SAN DIEGO, CALIFORNIA

Schedule of OMB Circular A-133 Audit Findings and Questioned Costs

Year ended June 30, 2000

Criteria:

Monitoring activities may take various forms, such as reviewing reports submitted by the subrecipient, performing site visits to the subrecipient to review financial and programmatic records and observe operations, arranging for agreed-upon procedures engagements for certain aspects of subrecipient activities, such as eligibility determinations, reviewing the subrecipient's single audit or program-specific audit results and evaluating audit findings and the subrecipient's corrective action plan.

Recommendation:

We recommend that the County Housing and Community Development Department (HCD) reevaluate its subrecipient monitoring plan to provide for more complete monitoring of all programs administered by the Department.

Finding 2000-3

Programs affected:

Section 8 Rental Assistance Program

14.855 and 14.857

Condition:

The HCD installed a new computer information system, Champions, during August 1999. The system was not able to produce the reports required by the HCD to monitor its drawdowns. As a result of the inadequate information system, the HCD did not monitor and/or compare its actual program expenditures to the funds advanced them from HUD. This resulted in an overrequisition of funds from HUD by \$5,340,033 for the Certificate Program. As a result, the County returned Section 8 funds to HUD in the amount of \$5,340,033 subsequent to year end.

Criteria:

31 CFR Section 205.20, paragraph (a) states that cash advances shall be limited to the minimum amounts needed and shall be timed to be in accord only with the actual, immediate cash requirements in carrying out a program or project. The timing and amount of cash advances shall be as close as is administratively feasible to the actual cash outlay for direct program costs and the proportionate share of any allowable indirect costs.

Recommendation:

The County has developed a corrective action plan to address the problems encountered with the Champions system. HCD is actively pursuing the installation of a new system, Emphasis Computing Systems (ECS), which is expected to provide a comprehensive database system that can accurately and effectively process program transactions, mitigating the risk of overrequisitioning funds from HUD. We recommend that the County work to resolve this problem as expeditiously as possible.

COUNTY OF SAN DIEGO, CALIFORNIA

Schedule of OMB Circular A-133 Audit Findings and Questioned Costs

Year ended June 30, 2000

Finding 2000-4

Programs affected:

Medical Assistance Program

93.778

Condition:

Per review of the *Health and Human Services Agency (HHS) Information Security Assessment, January – April 2000 Review* (the Assessment), performed by Pennant Alliance, and per discussion with HHS staff, KPMG noted that numerous areas of vulnerability and deficiency were identified within the HHS automated data processing systems (e.g. AIS, CATS, CWS / CMS). Per review of the Assessment, KPMG noted that there were high priority deficiencies in each of the following categories: Management and Administration, Policy Guidelines and Procedures, System and Data Access Administration, Information Classification Handling, Security Incident Reporting/ Response, Configuration Management/ Change Controls, Contingency Planning, Security Policy Compliance, Personnel Security, Physical Security, and Network and Host Security. Per discussion with County staff and per review of the *Information Security Assessment Status Input for the Health and Human Services Agency*, dated March 19, 2001, KPMG noted the majority of vulnerability and deficiency items noted in the Assessment were not corrected prior to fiscal year-end June 30, 2000.

Criteria:

State agencies (the County) must establish and maintain a program for conducting periodic risk analyses to ensure appropriate, cost effective safeguards are incorporated into new and existing systems. State agencies must perform risk analyses whenever significant system changes occur. On a biennial basis State agencies shall review the ADP system security of installations involved in the administration of Health and Human Services (HHS) programs. At a minimum, the reviews shall include an evaluation of physical and data security operating procedures, and personnel practices. The County shall maintain reports on its biennial ADP system security reviews, together with pertinent supporting documentation, for HHS onsite reviews (45 CFR section 95.621).

Recommendation:

The Health and Human Services Agency has developed an implementation plan, *Information Security Assessment Status Input for the Health and Human Services Agency*, dated March 19, 2001, which outlines the status of each vulnerability, the date identified and the responsible party for each countermeasure. We recommend that HHS continue to monitor the status of the open security assessment items to ensure timely completion of countermeasures in an effort to minimize the risk associated with their ADP system.

COUNTY OF SAN DIEGO, CALIFORNIA

Schedule of OMB Circular A-133 Audit Findings and Questioned Costs

Year ended June 30, 2000

(4) State Office of Criminal Justice and Planning (OCJP) Audit Findings and Questioned Costs

Finding 2000-5

Programs affected:

Office of Criminal Justice and Planning

Condition:

KPMG noted that two of the OCJP 201 reports for Major Narcotics Vendor Prosecution were submitted late.

Criteria:

Section 6312 of the OCJP Grantee Handbook, 2000, OCJP projects must submit an OCJP 201 to the Grants Payment Unit within 30 calendar days of the end of the report period, whether or not funds are requested.

Recommendations:

As timely reporting of information is an important element of maintaining compliance with grant agreements, we recommend that the OCJP departments implement a tracking system to monitor its compliance with reporting deadlines in order to ensure that required reports are submitted in a timely manner.



County of San Diego

Management's Response and Corrective Plan

Finding 2000-1

Contact Person

Alfredo Ybarra, Housing Program Manager

An Annual Progress Report (APR) was submitted to HUD on November 13, 2000 for the period from the initial grant award (1998) through the County fiscal year ending June 30, 2000. Submittal of an APR for the HOPWA competitive grant has been added to the work plan for the HOPWA program and will be completed as required within 90 days of the end of the preceding fiscal year until all grant funds have been expended. Therefore, an APR will be submitted by September 30, 2001 for the period of July 1, 2000 through June 30, 2001 and on that schedule annually thereafter.

Finding 2000-2

Contact Person

Frank Landerville, Housing Program Manager

Effective June 1, 1999, the Community Development Division initiated a requirement for all grants to specify that subrecipients expending \$300,000 or more are required to comply with the audit requirement of OMB Circular A-133 and are required to forward such audit report to the Community Development Division. However, these changes were not included in real estate-based contracts.

Language will be added to all real estate-based loan portfolios executed after May 1, 2001 specifying OMB Circular A-133 requirements for which subrecipient compliance is required. These will include the submission of an annual report to the Community Development Division, or otherwise written notification to the Community Development Division of the results of the audit. In addition, all HOME subrecipients will be monitored annually to provide reasonable assurance that Federal awards are being administered in compliance with all Federal requirements.

Monitoring procedures relating to requirements of OMB Circular A-133 are also being strengthened. Effective May 1, 2001, the Community Development Division will establish procedures to monitor the activities of subrecipients as necessary to ensure that Federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements, and that performance goals with measurable activities are achieved in compliance with OMB Circular A-133.



County of San Diego

The Community Development Division will issue timely management decisions on audit and monitoring findings, and will require subrecipients to take prompt corrective action on any deficiencies identified in audits and subrecipient monitorings. These procedures will be in effect for the Single Audit report period ending June 30, 2001.

The audit report states that only one subrecipient was monitored during Fiscal Year 1999/2000. Since the beginning of this current fiscal year, 2000/2001, staff has been regularly monitoring HOME subrecipients, and will have completed 20 site-monitoring visits by the end of the period.

Finding 2000-3

Contact Person

Ron Barefield, Housing Program Manager

The County has taken aggressive corrective actions to address the deficiencies in its current software system (i.e., CHAMPIONS), as noted in the findings. Through a Request for Proposal process, the County has selected Emphasys Computer solutions to install and implement a new software system to replace CHAMPIONS. The installation and operation of the new software is scheduled for no later than the first quarter of next fiscal year (i.e., August 2001).

The Emphasys software has robust program, financial management and reporting capabilities. Emphasys software already possesses nearly 70 percent of the largest housing agencies in the United States (San Diego County is considered a large housing agency). Emphasys has installed their software at over 170 housing agencies for over 14 years. Serving housing agencies is Emphasys' only business, so their software is designed to be compliant with federal funding and regulatory requirements of the U. S. Department of Housing and Urban Development (HUD).

Finding 2000-4

Contact Person

Robert J. Modell, Departmental Information Technology Coordinator, Health and Human Services Agency

Health and Human Services Agency (HHSA) concurs with the finding. HHSA will continue to monitor the status of the open security assessment items to ensure timely completion of counter-measures.



County of San Diego

Finding 2000-5

Contact Person

Dorothy Thrush, Deputy Chief, Administrative Services

The Office of the District Attorney concurs with the recommendation. The Office of the District Attorney has implemented a system within the Administrative Services Division to monitor compliance with grant application, renewal, claiming and progress reporting deadlines, and to explain the variances that occasionally occur due to actions of the State. The late submittal of the two OCJP 201 reports cited above were pursuant to instructions received from the Office of Criminal Planning. We understand that KPMG was unable to confirm those instructions with OCJP. We will continue to monitor our department's compliance with OCJP deadlines and document any variance from those deadlines requested by OCJP.



County of San Diego

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

- 99-1 Corrective action was taken.
- 99-2 Corrective action was taken.
- 99-3 Corrective action was taken.

